

§ 58-93-70. Protection against insolvency.

(a) The Commissioner shall require deposits in accordance with the provisions of G.S. 58-93-35.

(b) Each PHP shall maintain a minimum capital and surplus equal to the greater of one million dollars (\$1,000,000) or the amount required under the risk-based capital provisions of Article 12 of this Chapter.

(c) Every PHP shall have and maintain at all times an adequate plan for protection against insolvency acceptable to the Commissioner. In determining the adequacy of such a plan, the Commissioner may consider all of the following:

- (1) A reinsurance agreement preapproved by the Commissioner covering excess loss, stop loss, or catastrophes. The agreement must provide that the Commissioner will be notified no less than 60 days prior to cancellation or reduction of coverage.
- (2) Any other arrangements offering protection against insolvency that the Commissioner may require. (2018-49, s. 1(a).)